

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office

May 27, 1997

LB 99

fair. So I would stand in support of the Brown amendment, urge the body to do the same. Thank you.

PRESIDENT ROBAK: Thank you, Senator Jensen. Senator Will.

SENATOR WILL: Thank you, Madam President, members of the body. I think it's useful, sometimes, to go back and talk about the original proposal that we're talking about, and that is LB 99 with the committee amendment adopted. It deals now only with...only with the bingo tax at the state and city levels. The elimination of the city bingo tax is the issue that we're discussing right now. The other issues have been eliminated from the bill with respect to the increase in the keno tax and adjustments to the pickle card tax, that was even in this bill to begin with. But the fact is again, what the Brown amendment would do is do away with the elimination of the local tax on bingo and instead halve it from 2 percent to 1 percent. And the fact is if they can take that hit, then clearly, I think, the tax can be eliminated. And, again, this is a drop in the bucket, it's five-hundredths of 1 percent of Omaha's total budget, it's seven-hundredths of 1 percent of the city of Lincoln's budget, and this is simply not enough to make it worth the cities while to be defending this tax. I have no idea why they would even do so, except perhaps to save face. But again, this is something that makes a great deal of difference to the charities. There are a limited number of charities, to take even 1 percent of their gross is a substantial amount, because again we're taxing, as the taxes structure, we're taxing their gross, we're taxing the gross receipts, that's the total amount that people wager on bingo, not the net, not the...what the...what the charity makes through the tax, but the gross receipts of the tax, which is probably not the best base to use for a tax to begin with, but it's convenient, especially in an area such as gaming. And the fact is that reducing bingo to 3 percent, as opposed to 4 percent, which would be the net result of the Brown amendment, I think is the appropriate place to end up in fairness to the bingo games, because again, to reiterate, this is a tax, the local tax on bingo was established because localities, in the past, did have some responsibility for the regulation and policing of the bingo games, they no longer do. That function has been entirely taken over by the state, by the Charitable Gaming Division. And we are reducing